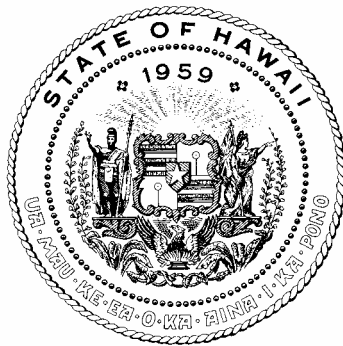


**ANNUAL REPORT TO THE TWENTY-THIRD LEGISLATURE  
STATE OF HAWAII  
REGULAR SESSION OF 2004**

**ON THE STATUS OF THE ISSUANCE OF INCIDENTAL TAKE  
LICENSES FOR ENDANGERED, THREATENED, PROPOSED,  
AND CANDIDATE SPECIES; AND THE CONDITION OF  
THE ENDANGERED SPECIES TRUST FUND  
FOR THE PERIOD JULY 1, 2002 – JUNE 30, 2003**



**Prepared by**

**THE STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF FORESTRY AND WILDLIFE**

In response to Section 195D-26, Hawaii Revised Statutes

Honolulu, Hawaii  
November 2003

**ANNUAL REPORT ON THE STATUS OF THE ISSUANCE OF  
INCIDENTAL TAKE LICENSES FOR ENDANGERED, THREATENED,  
PROPOSED AND CANDIDATE SPECIES; AND THE CONDITION  
OF THE ENDANGERED SPECIES TRUST FUND  
FOR THE PERIOD JULY 1, 2002 – JUNE 30, 2003**

**PURPOSE**

Act 380, Session Laws of Hawaii 1997, amended the State Endangered Species Act, Chapter 195D, Hawaii Revised Statutes (HRS), to provide for the preparation and implementation of habitat conservation plans and safe harbor agreements, and to provide additional incentives for private landowners to recover and protect threatened and endangered species on their lands. One of the provisions of that Act (§195D-26, HRS), required that an annual report be prepared by the Department of Land and Natural Resources (DLNR) on the effectiveness of habitat conservation plans or safe harbors agreements (SHA's) issued under the Act and the status of all species for which incidental take licenses have been issued. In addition, the annual report is to include a description of the condition of the Endangered Species Trust Fund established under §195D-31, HRS, and any recommendations to further the purposes of this chapter. This annual report is submitted to fulfill the reporting requirement for Fiscal Year (FY) 2003.

**FINDINGS**

**Effectiveness Of Habitat Conservation Plans (HCP) And Safe Harbor  
Agreements (SHA's) Issued Under Chapter 195D, HRS**

The following Habitat Conservation Plans and Safe Harbor Agreements have been issued as of June 30, 2003.

1. Reintroduction of Nene to Puu O'Hoku Ranch, Molokai. Issued: September 4, 2001. The Puu O'Hoku Ranch was the first SHA in Hawaii. The Agreement calls for Puu O'Hoku Ranch to allow the reintroduction of Nene on Puu O'Hoku Ranch, construct a release pen, provide 300 acres of habitat for Nene grazing and breeding, and to control predators in the release pen and nene breeding areas. During FY03, a total of 41 nene were released into the release pen (25 males and 16 females) during five releases (July 18, 2002, February 5 and 19, April 4, and June 4, 2003.) There were four nesting attempts within the release pen, with two goslings produced. The trapping program continued and operated from January through December 2003; 57 mongoose and 2 feral cats were trapped and removed. The Ranch ran a cattle and horse grazing operation to maintain the 735 acre Cape Halawa in pasture and short grass habitat for nene use, and the release pen was mowed on a monthly basis. All 55 nene released to date as well as the one gosling born in FY2002 and two born in FY2003 were accounted for during FY2003, and one nene was found injured and subsequently died during treatment, and there were no birds taken on the Incidental Take License.
2. Safe Harbor Agreement and Habitat Management Plan for Koloa (Hawaiian Duck) and Nene (Hawaiian Goose) on Umikoa Ranch, Island of Hawaii. Issued:

December 5, 2001. The Umikoa Safe Harbor Agreement calls for the creation and management of 2.0 acres of wetland ponds and 150 acres of riparian and associated uplands, fencing ponds, predator and weed control and outplanting of food items to benefit koloa and nene. As per the SHA, 8 permanent and 2 seasonal ponds ranging from 0.05 to 0.57 acres (totaling 2.01 acres) and 151.3 acres of ponds and uplands have been fenced and are being managed for koloa and nene. The Ranch has continued its predator control program using diphacinone mongoose bait in pond areas in FY2003. The current koloa population is estimated to be 6 birds, which is 3 times the baseline number at the beginning of the Agreement. There were no birds taken on the Incidental Take License.

3. Programmatic Safe Harbor Agreement for the Nene on the Island of Molokai, Hawaii. Issued: April 7, 2003. This is the first "programmatic" Safe Harbor Agreement in the state, such that DOFAW is the permittee and individual landowners ("Cooperators") enroll through Cooperative Agreements with DOFAW and are covered under DOFAW's Agreement and License. Landowners can voluntarily enroll by signing a Cooperative Agreement with the State which commits them to make appropriate habitat on their land available to nene for a period of 10 years, and in return the landowner receives assurances from both the state and federal agencies that they will not be held responsible if nene should be accidentally harmed or killed on their property for the duration of the permit, which expires in 2053. The Agreement was finalized in April 2003, and there were no landowners enrolled under this agreement prior to the end of FY2003.
4. A Conservation Plan for Hawaiian Stilt at Cyanotech Aquaculture Facility Keahole Point, Hawaii. Approved June 13, 2002; Incidental Take License not yet issued. The plan covers ongoing operations and maintenance activities at Cyanotech's aquaculture facility within the Natural Energy Laboratory of Hawaii (NELHA) along the Kona Coast and provides mitigation for the accidental loss of juvenile stilts in the facility's production ponds. The HCP was prepared by Ducks Unlimited and approved by the U.S. Fish and Wildlife Service in March of 2002, and covers the period 2002-2004. At the time the federal HCP permit was issued State law did not allow issuance of HCPs on public land. Subsequently, the legislature amended the statute to allow the state to process the HCP for Cyanotech. The HCP was processed under HRS §195D-4(i), approval of a federal HCP. The issuance of the Incidental Take License was delayed until Cyanotech secured a bond to cover mitigation costs as required by HRS §195D-4(g-3). Cyanotech has not been able to secure a bond as of November 2003. The following mitigation measures have been implemented: 1) created and maintained a 1.7-acre pond to produce optimum stilt breeding habitat – 48 stilt chicks were fledged before the pond was drained and netted to prevent further nesting at the facility because of safety concerns at the adjacent Kona Airport; 2) predator control is conducted to reduce mortality of stilts present at the facility; and 3) deterrent measures have been implemented to discourage stilts from occupying the

facility. A temporary Endangered Species Permit was issued to provide coverage until the Incidental Take License is issued; during FY2003 two dead stilt chicks were recovered from the Cyanotech facility.

### **Endangered Species Recovery Committee**

The following individuals served on the Endangered Species Recovery Committee during FY2003:

Mr. Gilbert S. Coloma-Agaran and Mr. Peter T. Young, Chairperson, Board of Land and Natural Resources (Board).

Designated Representative - Dan Davidson, Deputy Director for Land, Department of Land and Natural Resources, Honolulu, HI; Mr. Paul Conry, Wildlife Program Manager, Division of Forestry and Wildlife, Honolulu, HI. (Agency Representative)

Mr. Paul Henson, Ecoregion Manager, US Fish and Wildlife Service (USFWS) - Pacific Islands Ecoregion  
Designated Representative - Mr. Jeff Newman, USFWS.

Dr. William Steiner, Director, US Geological Service (USGS)-  
Biological Resources Division (BRD), Honolulu  
Designated Representative - Dr. James Jacobi, USGS-BRD,  
Hawaii National Park, HI. (Agency Representative)

Dr. John Harrison, Executive Director, UH Environmental Center,  
University of Hawaii, Manoa, HI. (University Representative)

Mr. Joby Rohrer, Honolulu, Oahu (Appointed Member, Term expires June 30, 2005).

Mr. Rick Warshauer, Volcano, HI (Appointed Member, Term expires June 30, 2003).

The committee met three times during the reporting period and exchanged correspondence on the processing of applications. The Committee reviewed the Programmatic Safe Harbor Agreement for Reintroduction of Nene to Molokai, the Habitat Conservation Plan for Hawaiian Stilt at Cyanotech Aquaculture Facility Keahole Point, Hawaii and submitted recommendations to the Board.

### **Condition Of The Endangered Species Trust Fund (S-03-324-C)**

The Department established the Endangered Species Trust Fund at the beginning of FY 1998.

Beginning Balance of Fund on July 1, 2002:	\$46,807
Revenues during FY 2003:	\$10,327
Expenditures during FY 2003:	\$ 0
Cash Balance as of June 30, 2003:	\$57,134
Unpaid encumbrances as of June 30, 2003:	\$ 0
Unencumbered Cash for carryover as of June 30, 2003:	\$57,134

#### **FY 2003 REVENUE**

1. Investment Pool	\$1,577
2. Proceeds from Sale of Endangered Plant Tags (act code 501)	\$ 750
3. Grant for conservation of Oahu Elepaio (act code 395)	<u>\$8,000</u>
Total Revenue FY2003:	\$10,327

#### **FY 2003 EXPENDITURES**

There were no expenditures made from the Endangered Species Trust Fund during FY03.

The largest project balance in the Endangered Species Trust Fund is \$44,510 being held for the Hawaii Community Foundation grant for the Restoration of Hamakua Marsh, Kailua, Oahu begun in FY02 (activity code 314). The project is being continued in FY04 and an operating budget of \$44,510 has been provided for this fiscal year.

The major source of revenue during the year was a \$8,000 grant from the Secretariat for Conservation Biology, University of Hawaii, for research and management efforts to conserve Oahu Elepaio by controlling predators. The grant was provided to support rat control and monitoring projects for endangered Elepaio populations on Oahu. The funds will be used as match for an Oahu Elepaio predator control project under the State Wildlife Grant program or on other Elepaio management efforts. Interest income and proceeds from the sale of Endangered Plant Tags account for the other revenue into the fund. The revenue derived from interest will be allotted to the various projects from where it was earned and the revenue from plant tags will be reserved and used to purchase new tags when time to reorder.

The sources of revenue for the Trust Fund are deposits into the fund for implementation of HCPs or SHAs, donations earmarked for endangered species projects, and proceeds from the sale of environmentally themed products such as endangered species stamps, posters, books, etc., sold to the public to raise money for conservation of Hawaii's resources. The Endangered Species Trust Fund, like other special funds, is subject to

central services and administrative costs. However, these were not assessed during FY03. Contributors have expectations that the funds deposited into the Trust Fund will be protected and available in the future for use on the intended purpose, such as actions required to implement HCPs or SHAs.

### **Recommendations**

1. Section 195D-4(g)(3), HRS, identifies the Wildlife Revolving Fund (HRS section 183D-10.5) as the fund in which to deposit money provided to the State to assure monitoring and implementation of HCPs. The Legislature should consider amending the statute to make the Endangered Species Trust Fund (HRS section 195D-31) the fund for depositing the money for Habitat Conservation Plans.
2. Give the Board of Land and Natural Resources the flexibility to allow other instruments of credit such as line-of-credit from a bank to satisfy the bonding requirement for HCPs or, at their discretion, to waive the bonding requirement entirely.